

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3359-01
Bill No.: HB 1274
Subject: Workers' Compensation
Type: Original
Date: January 7, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None	\$0*	\$0*	\$0*
Total Estimated Net Effect on <u>All</u> State Funds	\$0*	\$0*	\$0*

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0*	\$0*	\$0*

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

***Does not include the possible indirect effect of fewer workers' compensation cases being decided in favor of the employee.**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Division of Personnel, Department of Conservation**, and the **Department of Labor and Industrial Relations** assume that the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of Administration - Division of General Services, Risk Management (COA)**, assume that a potential cost savings for employers could result from passage of this proposal. COA notes that the state has had rulings wherein the judges have included the conclusion that the law be liberally construed in favor of the employee; however, there is no way to conclude that this provision alone would have changed those rulings due to other pertinent facts of the cases.

Officials from the **Department of Transportation (DHT)** assume that the legislation may affect the outcome of some workers' compensation cases; however, DHT cannot determine what positive effect this proposal may have. Therefore, DHT assumes a positive unknown impact as a result of the proposal.

Officials from the **Office of the Attorney General** did not respond to our fiscal impact request.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>

***Does not include the possible indirect effect of fewer workers' compensation cases being decided in favor of the employee.**

FISCAL IMPACT - Small Business

Small businesses could be affected by this proposal to the degree that an "impartial" interpretation of workers' compensation law would result in fewer cases being decided in favor of the employee.

DESCRIPTION

This proposal changes construction of the workers' compensation laws from "liberal" to "impartial," deletes the provision declaring substantial compliance with the laws will be sufficient, and declares it to be the specific intent of the legislature that the common law rule of liberal construction based on the supposed remedial basis of workers' compensation laws does not apply.

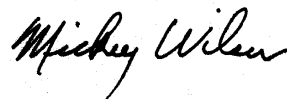
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration
Personnel
General Services, Risk Management
Department of Labor and Industrial Relations
Department of Transportation
Department of Conservation

NOT RESPONDING

Office of the Attorney General



Mickey Wilson, CPA
Acting Director

January 7, 2002